

**AR19**

THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED (N.P.L.)

*Free*





#### **COVER PHOTO**

Canada's most productive  
gas well.  
The Strachan 11-27.  
(Cariboo)

#### **ANNUAL MEETING**

Annual General Meeting will be held at the  
Hotel Grosvenor, 840 Howe Street, Vancouver,  
B.C., on Monday, the 16th day of June, 1969,  
at the hour of 11:00 a.m. o'clock, Pacific  
Daylight Saving Time.

## INFORMATION CIRCULAR

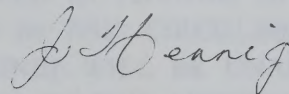
## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED, NPL will be held at the Hotel Grosvenor, 840 Howe Street, Vancouver, B.C. on Thursday, the 27th day of June, 1968, at the hour of 2:30 P.M. o'clock, Pacific Daylight Saving Time, for the purposes of:

- (a) Receiving the report of the Directors and the Financial Statement and Auditors' Reports thereon for the year ended 31st December, 1967;
- (b) Electing Directors;
- (c) Appointing Auditors;
- (d) Considering and if thought fit conferring authority on the Company to take or acquire shares in any other corporation;
- (e) Transacting such other business as may be properly brought before the meeting.

DATED at the City of Vancouver, in the Province of British Columbia, this 3rd day of June, 1968.

BY ORDER OF THE BOARD,



J. HENNIG  
Secretary

TO: ALL SHAREHOLDERS: if you cannot attend the meeting, please sign and date the attached proxy form and return it in the enclosed envelope to the attention of the Company's Secretary. The proxy form must be deposited at the office of the Company, 915 - 675 West Hastings Street, Vancouver 1, British Columbia, not less than twenty-four (24) hours prior to the time of holding the meeting.





This information circular is furnished pursuant to solicitation of proxies by the Management of The Cariboo Gold Quartz Mining Company Limited, NPL. (herein called "the Company", for use at the Annual General Meeting of the shareholders to be held on the 27th day of June, 1968, at 2:30 P.M. Pacific Daylight Saving Time, at the Grosvenor Hotel, 840 Howe Street, Vancouver 1, British Columbia, for the purposes set forth in the accompanying Notice of Meeting.

1. VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

There is only one class of equity shares of the Company of which there are 2,560,809 issued and outstanding. Holders of shares of record at the time of the annual meeting will be entitled to vote at such meeting provided they are in attendance. If the shareholders wish to vote by proxy the proxy form and power of attorney (if any) under which it is signed shall be deposited at the office of the Company, 915 - 675 West Hastings Street, Vancouver 1, British Columbia, not less than twenty-four (24) hours prior to the time of the meeting. In the case of a corporate shareholder the instrument of proxy shall be executed under the common seal of the corporation, or the hand of an officer or attorney duly authorized in writing by the corporation, in which case the authority or a notarial copy thereof shall be deposited with the instrument of proxy.

Each common share is entitled to one (1) vote. To the knowledge of the directors of the Company there are no persons or corporations beneficially owning directly or indirectly more than 10% of the common shares of the Company.

2. VOTING BY PROXY

A SHAREHOLDER HAS THE RIGHT TO APPOINT A NOMINEE TO REPRESENT HIM AT THE MEETING OTHER THAN THE PERSON DESIGNATED IN THE ENCLOSED PROXY FORM BY STRIKING OUT SUCH NAMES AND INSERTING THE NAME OF HIS CHOSEN NOMINEE IN THE SPACE PROVIDED FOR THAT PURPOSE ON THE FORM, OR BY USING ANOTHER FORM WITH THE SAME WORDING.

A SHAREHOLDER GIVING A PROXY MAY REVOKE IT AT ANY TIME BEFORE IT IS EXERCISED. SHARES FOR WHICH PROXY FORMS ARE PROPERLY EXECUTED IN FAVOUR OF MANAGEMENT'S NOMINEES WILL BE VOTED IN FAVOUR OF THE ELECTION AS DIRECTORS OF THE NOMINEES NAMED IN THIS CIRCULAR. THE MANAGEMENT IS NOT AWARE THAT ANY SUCH NOMINEE WILL BE UNABLE OR UNWILLING TO SERVE, BUT SHOULD THAT OCCUR PRIOR TO THE MEETING THE PERSONS NAMED IN THE ENCLOSED PROXY FORM WILL USE THEIR DISCRETION IN VOTING ON ALTERNATE NOMINEES.

It is also intended to vote the proxies given to Management in favour of the appointment of McDonald, Currie & Co. as auditors of the Company until the next Annual Meeting of shareholders. That firm was appointed the Company's auditors more than five (5) years ago and has been such since that time. In accordance with the proxy form indicated thereon your shares will be voted as you may direct in favour of or opposed to the resolutions covering the report of the directors of the Company, the Company's Financial Statements for the year ended 31st December 1967, and the Auditors' Report thereon.





### 3. ELECTION OF DIRECTORS

At the meeting it is intended that the full board of five (5) directors be elected, each to hold office from the time of his election until the next Annual General Meeting or until his successor is elected or appointed. The nominees for election as directors of the Company are listed hereunder:

Name	Position with the Company and principal occupation for the preceding 5 years	Director since	Common shares beneficially owned as at 1968
J. Royden Morris	President of the Company Investment dealer, Royden Morris & Co. Ltd.	1960	100,000
G.R. Sharpe	Consultant, Pulp & Paper Formerly employed by Crown Zellerbach Canada Ltd.	1962	40,000
F.A. McGonigle	Mining Executive, formerly President Bralorne Pioneer Mines Ltd.	1967	10,000
Dr. Howard L. MacDougall	Physician & Surgeon	1967	40,000
Roy Ricks	Airline Captain, American Airlines Inc.	1966	20,000

Election of Directors takes place annually and all directors then retire but are eligible for re-election.

### 4. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

The aggregate direct remuneration paid or payable by the Company during the last fiscal year to the directors and senior officers amounted to \$3,600.

### 5. RETIREMENT BENEFITS OF DIRECTORS AND SENIOR OFFICERS

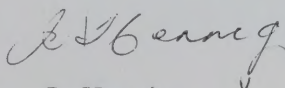
There is no pension plan nor pension or retirement benefits paid or payable by the Company to directors, officers or otherwise.

### 6. GENERAL

The Management has no present knowledge of matters other than those referred to in the accompanying notice of meeting which may be presented for action at the meeting. If any other matter should properly come before the meeting the proxy shall be conferred with discretionary authority to vote the same with respect thereto in accordance with his best judgment. The costs with respect to proxy forms and this solicitation will be borne by the Company.

DATED at Vancouver, British Columbia, this 3rd day of June, 1968.

BY ORDER OF THE BOARD OF DIRECTORS



J. Hennig  
Secretary





THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED

PROXY

The Cariboo Gold Quartz Mining Company Limited, NPL.

THIS PROXY IS SOLICITED BY THE MANAGEMENT OF THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED, NPL.

I, the undersigned the holder  
of shares of The Cariboo Gold Quartz Mining Company Limited NPL. hereby  
appoint J. Royden Morris, President, or failing him G.R. Sharpe, Director, or failing him F.A. McGonigle  
as my proxy to vote for me and on my behalf at the Annual General Meeting of the shareholders of the  
Company to be held on the 27th day of June, 1968, and at any adjournment thereof. The said proxy is  
directed to vote as follows:

- |    |  |                |                    |
|----|--|----------------|--------------------|
| 1. | Approval of the Directors' Report to the Company<br>for the year ended 31st December, 1967   | FOR<br>(     ) | AGAINST<br>(     ) |
| 2. | Approval of the Financial Statement of the Company<br>for the year ended 31st December, 1967   | (     )        | (     )            |
| 3. | At the discretion of the said proxy upon any amend-<br>ment or variation of the above matters or any matter<br>that may be legally brought before the said meeting<br>or any adjournment thereof | (     )        | (     )            |

THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS YOU DIRECT OR IF  
NO DIRECTION IS INDICATED, WILL BE VOTED IN FAVOUR OF ALL ITEMS SUBJECT  
TO THE PROVISIONS WITH RESPECT TO AMENDMENTS AND VARIATIONS AND OTHER  
MATTERS AS SET FORTH IN ITEM NO. 3 ABOVE.

(Subject to the provisions set forth in Section 103 of the British Columbia Securities Act and Section 166  
(g) of the British Columbia Companies Act).

DATED this                      day of June, 1968.

\_\_\_\_\_  
Signature of Shareholder

*J.R. Morris*





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THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED

(NON-PERSONAL LIABILITY)

801 ROYAL BANK BUILDING • 675 WEST HASTINGS ST.  
VANCOUVER 2, B.C.

TELEPHONE MUTUAL 5-5540

November 28, 1968

TO THE SHAREHOLDERS

## SPECIAL REPORT

## STRACHAN PROJECT - Natural gas and sulphur

Reference our Progress Report of September 12, 1968:

The second gas well, called B.A. et al Strachan, drilled by B.A. on behalf of itself and its partners has been completed at a final total depth of 13,625 feet. It encountered very substantial thickness of porous Leduc reef.

Comparative figures now released in connection with the proposed merger of Stampede Oils Limited, Bata Resources Limited and Galaxy Copper Ltd., partners in the Strachan project, indicate, in the opinion of the Company, that the shares could be underpriced at today's market in comparison to the market price of the aforementioned companies' shares.

As Page 1, Para. 3, of the Statement of the Proposal for the Merger of:

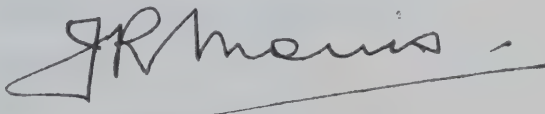
Bata Resources Limited  
Galaxy Copper Ltd.  
Stampede Oils Limited

states:

"The exchange ratios which have been settled upon amongst the three companies are based on the concept that their respective interests in the Strachan field, all of which derived initially from the same farmout agreement, relate to the same lands and are constant (within a variation of 2/100 of a percent) in relation to one another, constitute the principal asset of each of them at this time, in terms of both present and potential value."

As Cariboo's interest in the farmout agreement is equal to 1/4 of Bata's and just under 1/6 of Stampede's and in view of the aforementioned statement, your directors feel that the price of your shares should be more in line with the others. The shares of all the companies are traded on the Vancouver Stock Exchange. Current prices are - Cariboo 75¢, Bata \$4.50, Stampede - \$8.40, Galaxy \$1.60.

Yours truly,

  
L. R. Morris  
President





**THE CARIBOO  
GOLD QUARTZ  
MINING COMPANY  
LIMITED**

(N.P.L.)

806 - 475 HOWE ST., VANCOUVER 1, B.C.

**OFFICERS**

J. ROYDEN MORRIS, President  
RICHARD S. LENNIE, Vice-President  
MRS. MAVIS JOHNSON, Secretary

**DIRECTORS**

J. ROYDEN MORRIS, Vancouver, B.C.  
DR. H. L. MacDOUGALL, Seattle, Wash.  
RICHARD S. LENNIE, Vancouver, B.C.  
ROY RICKS, Chicago, Ill.  
J. E. R. WOOD, Vancouver, B.C.

**MANAGER**

SYDNEY DANNHAUER, Wells, B.C.

**CONSULTING ENGINEER**

DR. DOUGLAS D. CAMPBELL, P.Eng., Ph.D., Vancouver, B.C.

**TRANSFER AGENTS**

MONTREAL TRUST COMPANY, Vancouver, B.C.; Toronto, Ont.

**AUDITORS**

McDONALD, CURRIE & CO., Vancouver, B.C.

**MINE OFFICE**

WELLS, B.C.

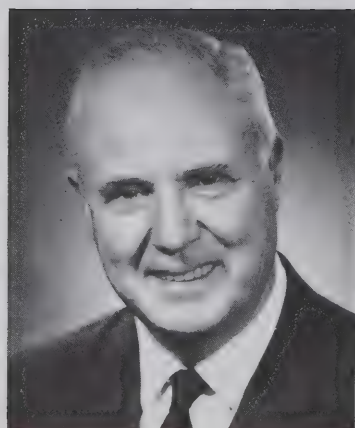
**SHARE LISTING**

VANCOUVER STOCK EXCHANGE



View of the Gold Property at Wells-Barkerville, B.C.

## Report of the Directors



### TO THE SHAREHOLDERS

First of all it is my great pleasure to welcome the many new people from all over the continent who have become shareholders in our Company over the past year.

The year was one of tremendous growth in the value of your Company's holdings in the Strachan oil and gas field in west central Alberta. Since Cariboo Gold Quartz and partners drilled the discovery well over \$50,000,000 has been paid to the Alberta treasury for drilling rights on adjoining lands where many more successful wells have been drilled.

Concerning your Company's mining properties at Wells, B.C., due to bad weather last summer, the trenching program was not completed. However, with an increase in the price of gold the mining operation will be re-activated. In this respect I refer you to the map enclosed and the further comments of our consultant, Dr. Douglas Campbell. Not in the past 36 years has there been such a worldwide interest in Gold as there is now.

Mr. Gordon Sharpe and Mr. Fritz McGonigle, Directors, resigned for personal reasons. Their loyalty and good counsel is sincerely acknowledged.

In their place, Mr. Richard S. Lennie and Mr. J. E. R. Wood have been appointed. Both of these men have had a great deal of experience in the mining and petroleum business and in the field of finance and we feel that your Company is especially fortunate in having them on the Board of Directors.



## **GOLD MINING OPERATION WELLS-BARKERVILLE, B.C.**

The Company's properties consist of over 4,000 acres in the Cariboo District of British Columbia, extending some 7 miles along the strike of the Barkerville gold belt, between the towns of Wells and Barkerville. A study of the accompanying maps will give you a good idea of the size of the mine workings and the vast potential for further development.

Fixed assets owned by the Company include a 400 ton cyanide mill, assay office, refinery, power plant, hospital, six houses and six fireproof apartment buildings.

Underground potential: Dr. Douglas D. Campbell, our consulting geologist, states, "At an increased price for gold, of at least \$50 per oz. Cdn., the potential at both mines for increased production of ore from both vein and replacement orebodies is excellent because much known and developed vein mineralization would then be classified as profitable ore. Present proven ore plus indicated ore could well support mill production of at least 300 tons per day and would definitely be profitable since the only major capital repayment would be for the exploration program and for the necessary new mine and mill equipment."

Dr. Campbell outlines the potential thus: "Considering the known geological factors it would appear that the potential tonnages of easily developed replacement ore in unexplored Baker rocks in the various parts of the Cariboo Gold Quartz property are as follows: Island Mountain Mine (Aurum) 300,000 tons, No. 1 Mine 500,000 tons, Southeast 500,000 tons. The ultimate potential could be much in excess of these figures in each locality."

The price of gold in the free market, London, is now \$43.60 U.S. and from all indications is headed for higher prices.

## **STRACHAN PROJECT, ALBERTA OIL - NATURAL GAS - SULPHUR**

**Interests held: .671% - 2.5%**

**Acres (earned, bought or under option):**

**85 sections - 54,400 acres**

### **HIGHLIGHTS**

1. Cariboo is one of the original working interest partners in the Strachan Leduc (D-3) discovery well, Stampede B.A. Strachan 6-33, in west central Alberta approximately 90 miles N.W. of Calgary.

2. Since the discovery Cariboo has continued to participate with United Bata Resources Limited (N.P.L.), Gulf Oil Canada Limited, Amerada Petroleum Corporation and Canadian Export Gas & Oil Ltd. in land acquisition and exploratory drilling of the Strachan-Ricinus play.

(a) Lands acquired on the Strachan trend since the drilling of the discovery well now total nearly 30,000 acres which includes Drilling Reservation No. 1922 purchased by the Gulf-Cariboo team for \$7.3 million in January, 1969.

(b) Drilling subsequent to the discovery well has resulted in **two** additional successful Leduc (D-3) sour gas wells (11-27, 11-22) and one Cardium gas well.

3. The gas reserves of Cariboo's three D-3 successes are sizeable and currently constitute the bulk of Trans-Canada Pipelines' estimate of current proven and marketable Strachan reserves of 1.5 trillion cubic feet. The best of the three successful wells to date, the B. A. et al Strachan 11-27 well, has in excess of 700 feet of net pay in the Leduc D-3 reef. Extrapolating proven reef reserves over the large block of acreage held by Cariboo and its partners, it is probable that ultimate reserves will reach 4 to 10 trillion cubic feet.

4. Cardium oil and gas reserves are currently being outlined along the southern perimeter of the companies' land holdings. Early indications suggest that Cardium sand pays of 30 feet and 15% porosity could hold oil reserves of 12 million barrels per section (640 acres) or gas reserves of approximately 9 billion cubic feet per section. Cardium gas values are great because of the high condensate content of the gas.

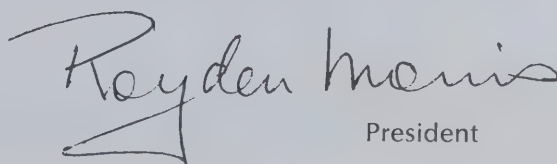
5. Cariboo, along with Gulf Oil Canada, United Bata Resources and CEGO Minerals, has contracted Strachan reef gas to Trans-Canada Pipelines Ltd. Construction of a \$15-20 million gas processing plant at Strachan will commence in the late summer and completion is scheduled for the fall of 1970. Cariboo will maintain a net pro rata working interest in the plant and its products.

6. During the period of plant construction Cariboo and partners will drill up to eight additional D-3 tests in order to outline further reserves. Immediate commencement of three of these wells is expected. In addition an active Cardium development program is planned and it is anticipated that two wells in the program will be spudded shortly.

7. To pay for the drilling of the aforementioned wells, land acquisition costs and the building of the sulphur extraction plant your Company entered into an underwriting agreement with Continental Securities Corporation Ltd., Members of the Vancouver Stock Exchange, and received \$350,000 cash for 200,000 shares and granted options on a further 200,000 shares at \$1.75 and \$2.00 respectively, due on June 24 and September 22, 1969. If the options are fully exercised "Cariboo" will receive a total of \$1,100,000.





Upon examination of these significant facts it would seem fair to state that this coming year should be one of unprecedented development for your Company.

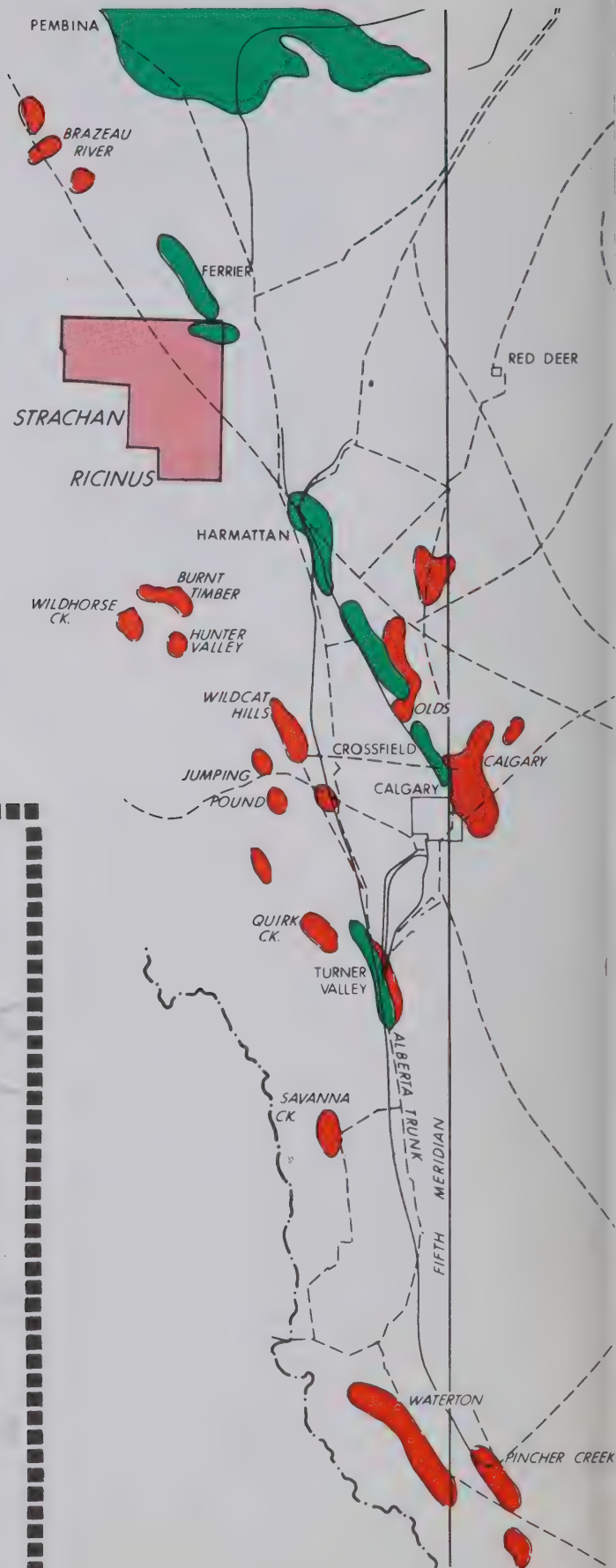
On behalf of the Board of Directors

  
President

# Strachan - Ricinus

## WESTERN ALBERTA INDEX MAP

-  OIL FIELD
-  OIL PIPELINE
-  GAS FIELD
-  GAS PIPELINE



## LOCATION MAP

WELLS-BARKERVILLE, B.C.

STRACHAN, ALBERTA



RGE.11

RGE.10

RGE. 9

RGE. 8

W5M.

# STRACHAN-RICINUS AREA

MILES 1 0 2 4 6 8 MILES

1 DEVONIAN (LEDUC REEF) TEST

A CARDIUM TEST

 ○ LOCATION    ✕ DRILLING  
 ☆ GAS WELL    ◇ ABANDONED  
 ● OIL WELL

TP.39

TP.38

TP.37

TP.36

TP.35

TP.34

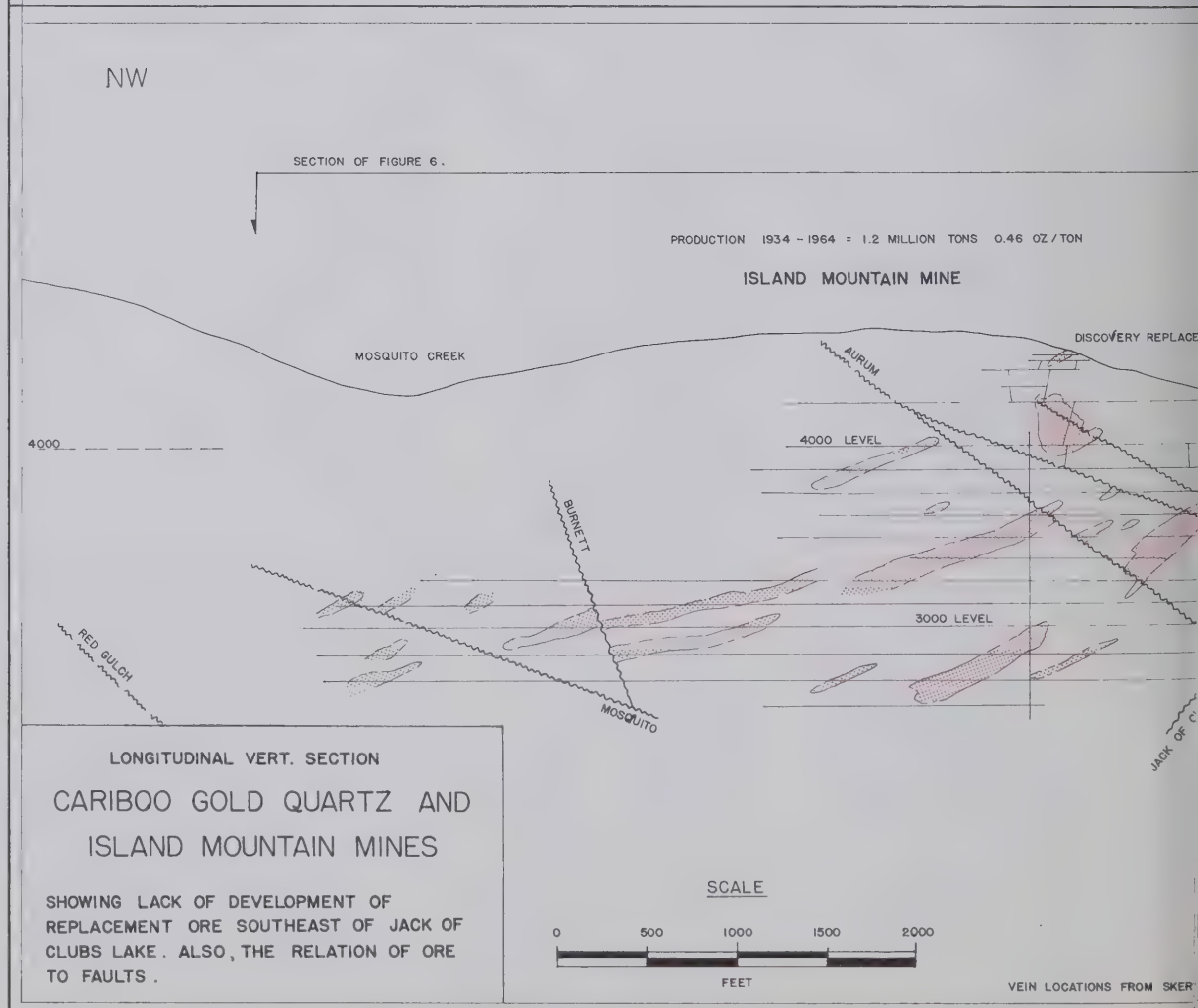
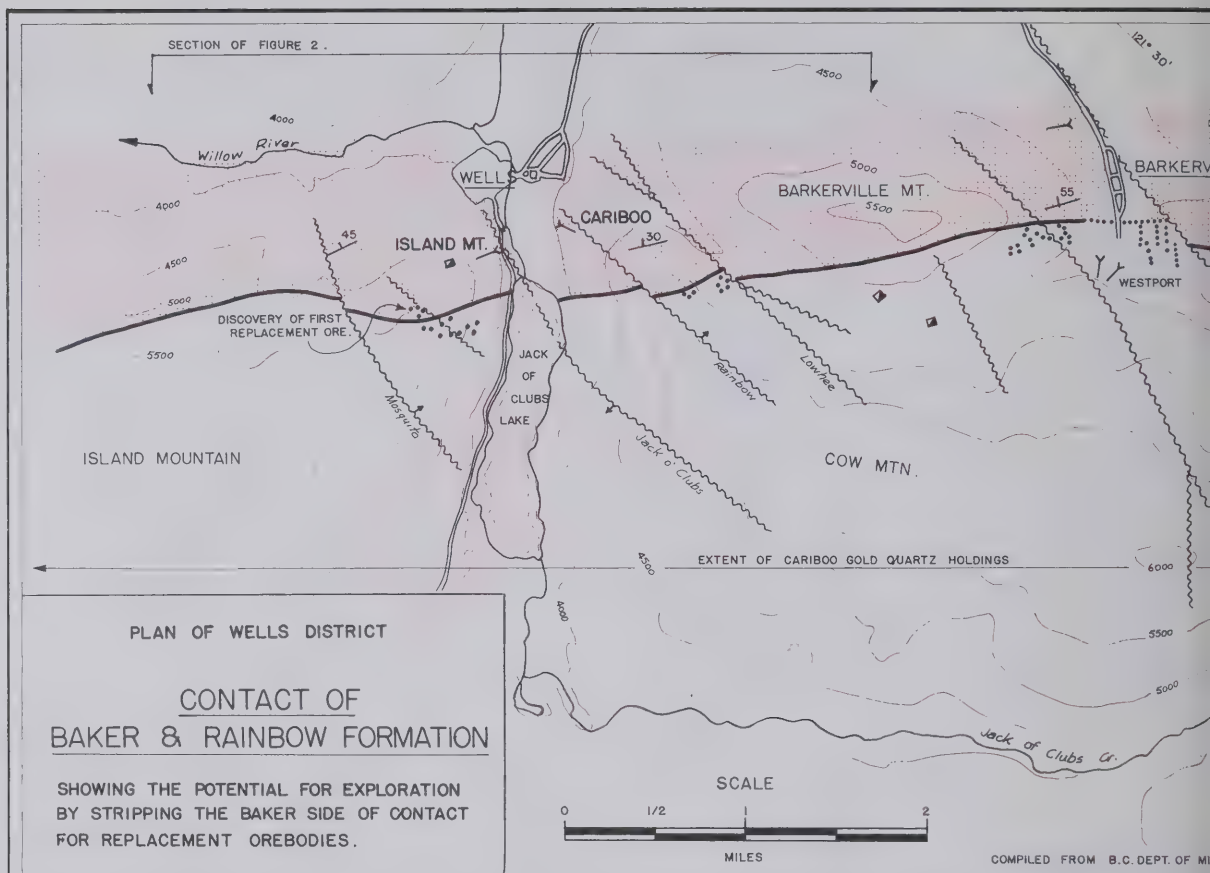
## STRACHAN - RICINUS WELL CONTROL AND DRILLING ACTIVITY

1. Stampede B.A. Strachan 6-33
2. B.A. et al Strachan 11-27
3. Gulf et al Strachan 11-22
4. Gulf et al Strachan 10-24
5. Gulf et al Strachan 7-28
6. Pan Am A-1 Ricinus 6-24
7. Pacific Pan Am Ricinus 7-19
8. Mobil Ricinus 6-10
9. Amerada et al Strachan 10-34
10. SOBC Calstan Strachan 10-25
11. B.A. Strachan 12-31A
12. Chevron SOBC Strachan 14-2
13. Gulf Oil Canada Strachan 3-21
14. Pacific Pan Am Phoenix 10-27
15. B.A. Prairie Creek 9-20
16. Amerada et al Strachan 10-17
17. Banff Aquitaine Strachan 10-31
18. Banff Aquitaine Strachan 7-32

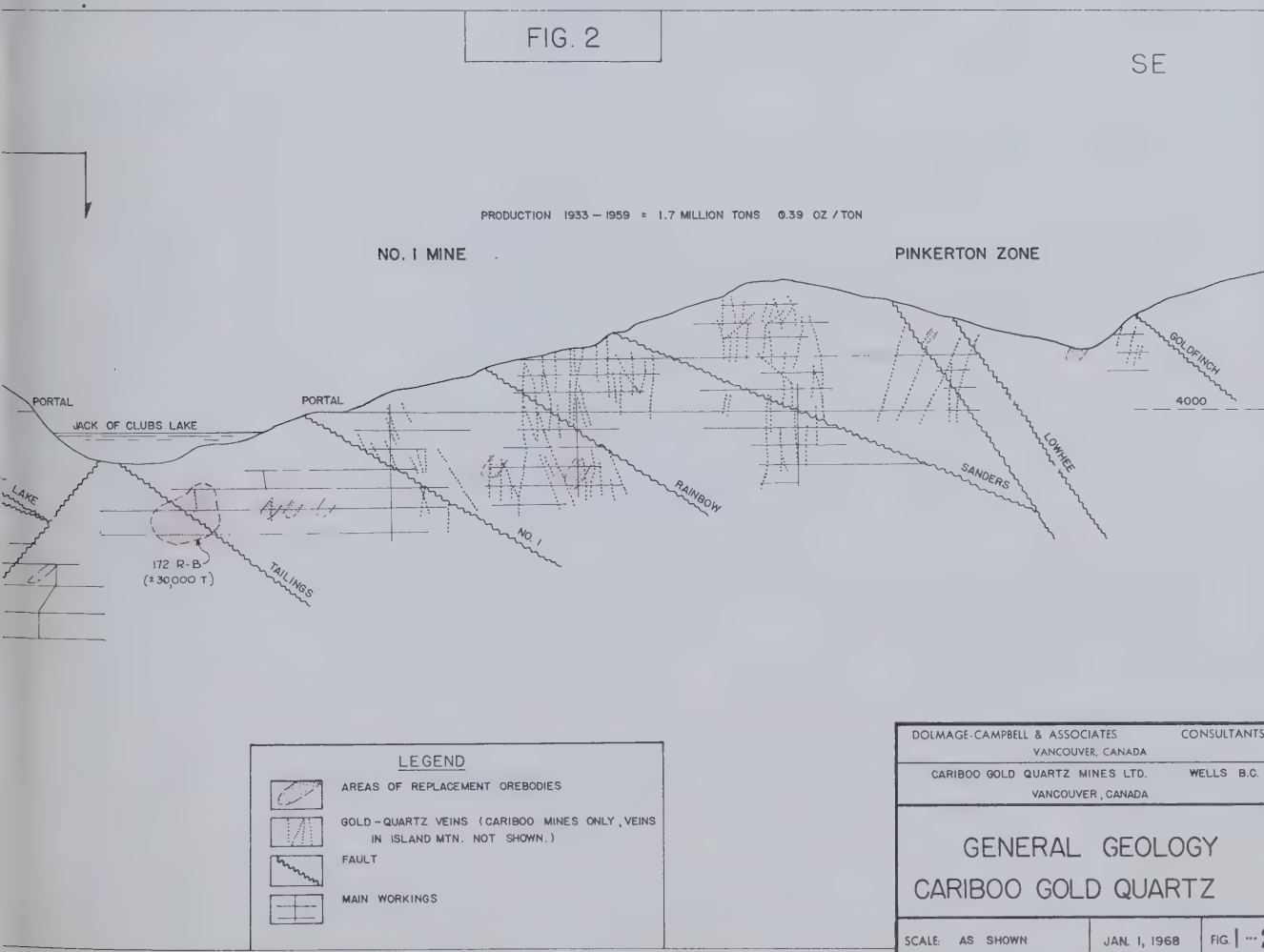
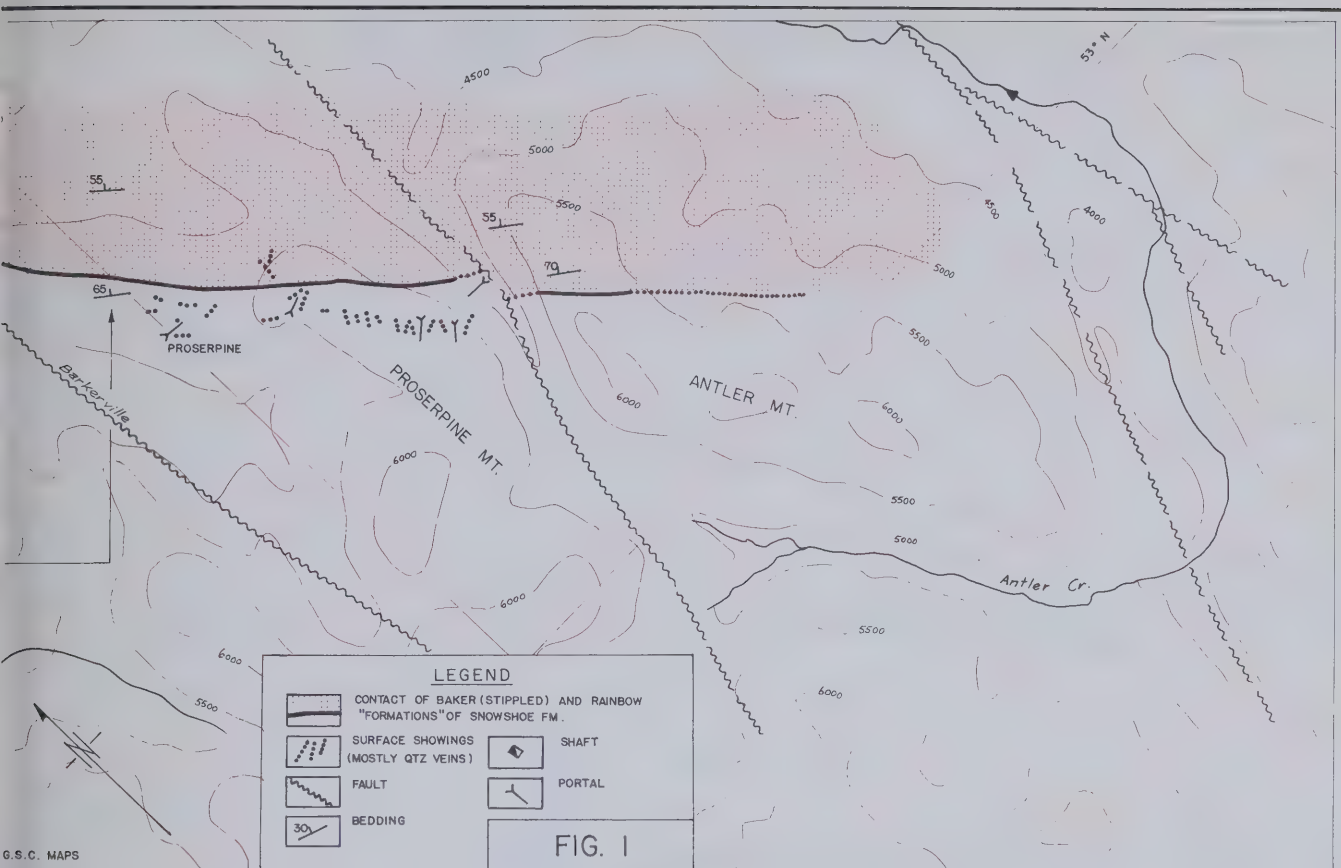
- A. Amerada et al Ricinus 16-26
- B. Pacific Pan Am Ricinus 9-22
- C. Pacific Pan Am Ricinus 6-24
- D. Gulf Amerada Ricinus 10-14
- E. Pacific Pan Am Ricinus 11-11
- F. Pacific Pan Am Ricinus 10-12
- G. Pacific Pan Am Ricinus 7-19
- H. Pacific Pan Am 3-29
- I. Pacific Pan Am Ricinus 11-28
- J. Pan Am B-1 Ricinus 10-1
- K. Pan Am B-2 Ricinus Ev 7-3
- L. Sinclair et al Ricinus 10-11
- M. Sinclair et al Ricinus 7-28
- N. Sinclair et al Ricinus 7-9
- O. Pacific Pan Am Ricinus 10-7
- P. Pacific Pan Am Ricinus 7-19

Devonian (D-3) gas well  
 Strachan discovery well  
 Devonian (D-3) gas well  
 Devonian test (D-3) Drilling  
 Devonian test (D-3) — Location  
 Devonian test (D-3) — Location  
 Devonian (D-3) test — Drilling  
 Devonian (D-3) gas well  
 Cardium oil well  
 Devonian (D-3) test — Drilling  
 Devonian (D-3) test — Location  
 Devonian (D-3) test  
 Dry and Abandoned  
 Devonian (D-3) test  
 Dry and Abandoned  
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 Devonian (D-3) Test — Drilling  
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 Dry and Abandoned  
 Devonian (D-3) Test  
 Dry and Abandoned  
 Devonian (D-3) gas well  
 Devonian (D-3) gas well

Cardium gas well  
 Cardium gas well  
 Cardium gas well  
 Cardium gas well  
 Cardium gas well  
 Cardium gas well  
 Cardium gas well  
 Indicated Cardium oil well  
 Cardium gas well  
 Cardium Test — Dry and Abandoned  
 Cardium Test — Dry and Abandoned  
 Cardium Test — Dry and Abandoned  
 Cardium Test — Dry and Abandoned  
 Cardium Test — Dry and Abandoned  
 Cardium gas well  
 Cardium Test — Dry and Abandoned







DOLMAGE-CAMPBELL & ASSOCIATES		CONSULTANTS	
VANCOUVER, CANADA			
CARIBOO GOLD QUARTZ MINES LTD.		WELLS B.C.	
VANCOUVER, CANADA			
GENERAL GEOLOGY			
CARIBOO GOLD QUARTZ			
SCALE AS SHOWN		JAN. 1, 1968	FIG. 1 ... 2

## THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED (N.P.L.)

### Auditors' Report to the Shareholders

We have examined the balance sheet of The Cariboo Gold Quartz Mining Company Limited (N.P.L.) as at December 31, 1968 and the statements of deficit, deferred exploration and development costs, administrative expenses and source and use of working capital for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1968 and the results of its operations and the source and use of its working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Vancouver, B.C.  
March 9, 1969

McDONALD, CURRIE & CO.  
Chartered Accountants



# THE CARIBOO GOLD QUARTZ MINING COMPANY LIMITED (N.P.L.)

Balance Sheet as at December 31, 1968

## ASSETS

	1968 \$	1967 \$
CURRENT ASSETS		
Cash and term deposit .....	82,572	47,942
Marketable securities - at cost (market value 1968 - \$40,212; 1967 - \$84,534) .....	28,731	92,170
Sundry accounts receivable .....	3,148	23,622
Receivable under The Emergency Gold Mining Assistance Act .....		26,502
	<u>114,451</u>	<u>190,236</u>
INVESTMENT IN SUBSIDIARY COMPANIES (notes 1 and 3) .....	20,003	20,003
IDLE BUILDINGS AND EQUIPMENT, Wells, B.C., at estimated net realizable value (notes 1 and 2) .....	80,000	100,000
MINERAL PROPERTIES, at cost and nominal value (notes 1 and 4) .....	897	6,276
PETROLEUM AND NATURAL GAS PROPERTIES (notes 1 and 5) Participating interest in farm-out project and related properties, at cost .....	57,458	50,736
DEFERRED COSTS (note 1) Mineral property exploration and development, at cost .....	36,052	
	<u>308,861</u>	<u>367,251</u>

## LIABILITIES

	1968 \$	1967 \$
CURRENT LIABILITIES		
Accounts payable and accrued liabilities .....	6,457	5,504

## SHAREHOLDERS' EQUITY

CAPITAL STOCK		
Authorized—		
4,000,000 common shares of the par value of \$1 each		
Issued and fully paid—		
2,560,809 common shares .....	2,560,809	2,560,809
Less discount on shares (net of premium) .....	476,947	476,947
	<u>2,083,862</u>	<u>2,083,862</u>
DEFICIT .....	1,781,458	1,722,115
	<u>302,404</u>	<u>361,747</u>
SIGNED ON BEHALF OF THE BOARD	<u>308,861</u>	<u>367,251</u>

J. ROYDEN MORRIS, Director

RICHARD S. LENNIE, Director

# STATEMENT OF DEFICIT

FOR YEAR ENDED DECEMBER 31, 1968

	1968 \$	1967 \$
BALANCE — BEGINNING OF YEAR .....	1,722,115	1,684,096
Net earnings for the year (note 2) .....		17,994
Gain on sale of invesmtents .....	5,758	
	<u>1,716,357</u>	<u>1,666,102</u>
Cost of mineral claims abandoned, including current exploration and development thereof .....	9,704	6,151
Reduction in prior years' claim under The Emergency Gold Mining Assistance Act ....	18,771	
Reduction in estimated realizable value of buildings and equipment .....	4,285	
Wells townsite expenses — net .....	14,251	
Administrative and general expenses less sundry and interest income .....	18,090	
Shut-down expense .....		49,862
	<u>65,101</u>	<u>56,013</u>
BALANCE — END OF YEAR .....	<u>1,781,458</u>	<u>1,722,115</u>

# STATEMENT OF DEFERRED EXPLORATION AND DEVELOPMENT COSTS AND ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1968

		\$
DEFERRED EXPLORATION AND DEVELOPMENT COSTS		
Consulting fees .....		8,787
Salaries .....		3,200
Travel .....		806
Trenching .....		23,259
TOTAL .....		<u>36,052</u>
ADMINISTRATIVE EXPENSES		
Salaries .....		7,905
Rent .....		1,284
Telephone .....		1,254
Travel .....		806
Audit and legal .....		3,653
Office, printing and stationery .....		977
Transfer agent fees .....		1,355
Shareholders' meetings and expenses .....		3,027
Sundry .....		3,242
		<u>23,503</u>
Less: Interest on short term deposits .....	4,072	
Sundry income .....	1,341	5,413
TOTAL .....		<u>18,090</u>



**THE CARIBOO  
GOLD QUARTZ  
MINING COMPANY  
LIMITED**  
(N.P.L.)

**STATEMENT OF SOURCE AND USE OF WORKING CAPITAL**  
FOR THE YEAR ENDED DECEMBER 31, 1968

	1968 \$	1967 \$
<b>SOURCE</b>		
Operations (note 2) .....		17,994
Gain on sale of investments .....	5,758	
Sale of idle building and equipment .....	15,715	118,526
	<u>21,473</u>	<u>136,520</u>
<b>USE</b>		
Deferred exploration and development .....	36,052	
Wells townsite expenses — net .....	14,251	
Administrative and general .....	18,090	
Reduction in E.G.M.A. claim .....	18,771	
Participation in petroleum and natural gas farm- out agreements .....	6,723	50,735
Mineral properties .....	4,324	6,275
Exploration and development written off .....		2,550
Supplies inventory written down .....		18,388
	<u>98,211</u>	<u>77,948</u>
INCREASE (DECREASE) IN WORKING CAPITAL .....	(76,738)	58,572
WORKING CAPITAL — BEGINNING OF YEAR .....	184,732	126,160
WORKING CAPITAL — END OF YEAR .....	<u>107,994</u>	<u>184,732</u>
<b>REPRESENTED BY:</b>		
Current assets .....	114,451	190,236
Current liabilities .....	6,457	5,504
WORKING CAPITAL — END OF YEAR .....	<u>107,994</u>	<u>184,732</u>

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1968

### 1. VALUES

The amounts shown for investments, idle buildings and equipment, mineral properties, petroleum and natural gas properties and deferred costs represent costs to date or costs less amounts written off to date and are not intended to reflect present or future values.

### 2. TERMINATION OF OPERATIONS

The company ceased operation of its gold mine at Wells, B.C., on April 15, 1967.

### 3. INVESTMENT IN SUBSIDIARY COMPANIES

Consolidated financial statements have not been prepared because The Wells Townsite Company Limited, Gold Quartz Hospital Limited, Williams Creek Gold Quartz Mining Company Limited (N.P.L.) and French Mines Ltd. (N.P.L.) are inactive. These companies had no profits or losses during the year.

The investment in shares of subsidiary companies is shown at nominal value being cost less amounts written off to deficit:

	1968 \$	1967 \$
The Wells Townsite Company Limited (wholly-owned) .....	1	1
Gold Quartz Hospital Limited (wholly-owned) .....	1	1
Williams Creek Gold Quartz Mining Company Limited (N.P.L.)	20,000	20,000
French Mines Ltd. (N.P.L.) (wholly-owned) .....	1	1
	<u>20,003</u>	<u>20,003</u>

### 4. MINERAL PROPERTIES

The company acquired thirty-five mineral claims located near Wells, B.C. for a cost of \$896. The original mineral properties at Wells, B.C. are carried in the accounts at a nominal value of \$1.

### 5. PETROLEUM AND NATURAL GAS PROPERTIES

By an agreement dated July 19, 1967 between the company and Stampede Oils Limited, Stampede assigned to the company a 5% participating interest in a farm-out agreement made as at April 11, 1967 between Stampede Oils as Farmee and The British American Oil Company Limited as Farmor.

The Farmor had the right to convert its gross over-riding royalty interest to an undivided 50% interest in the farm-out well. This right was exercised in 1968 and reduced the interest of the company under this agreement to 2.4%.

Under the original agreement with Stampede the company has been given the option to participate in other farm-out agreements; this has resulted in the company acquiring various percentage interest in the "Strachan Project" as follows:

	% Interest	Costs to December 31, 1968 \$
Stampede-B.A.-Strachan Well 6-33 (discovery well-capped) ....	2.5	37,372
B.A. et al Strachan Well 11-27 (capped) .....	.671	6,073
Amerada et al Strachan Well 10-17 (not complete) .....	2.0	1,564
Drilling reservations #1775 .....	.671	10,557
Crown parcel #4919 .....	.671	114
Prairie Creek farm-out .....	2.5	890
Prairie Creek option .....	1.2	888
		<u>57,458</u>

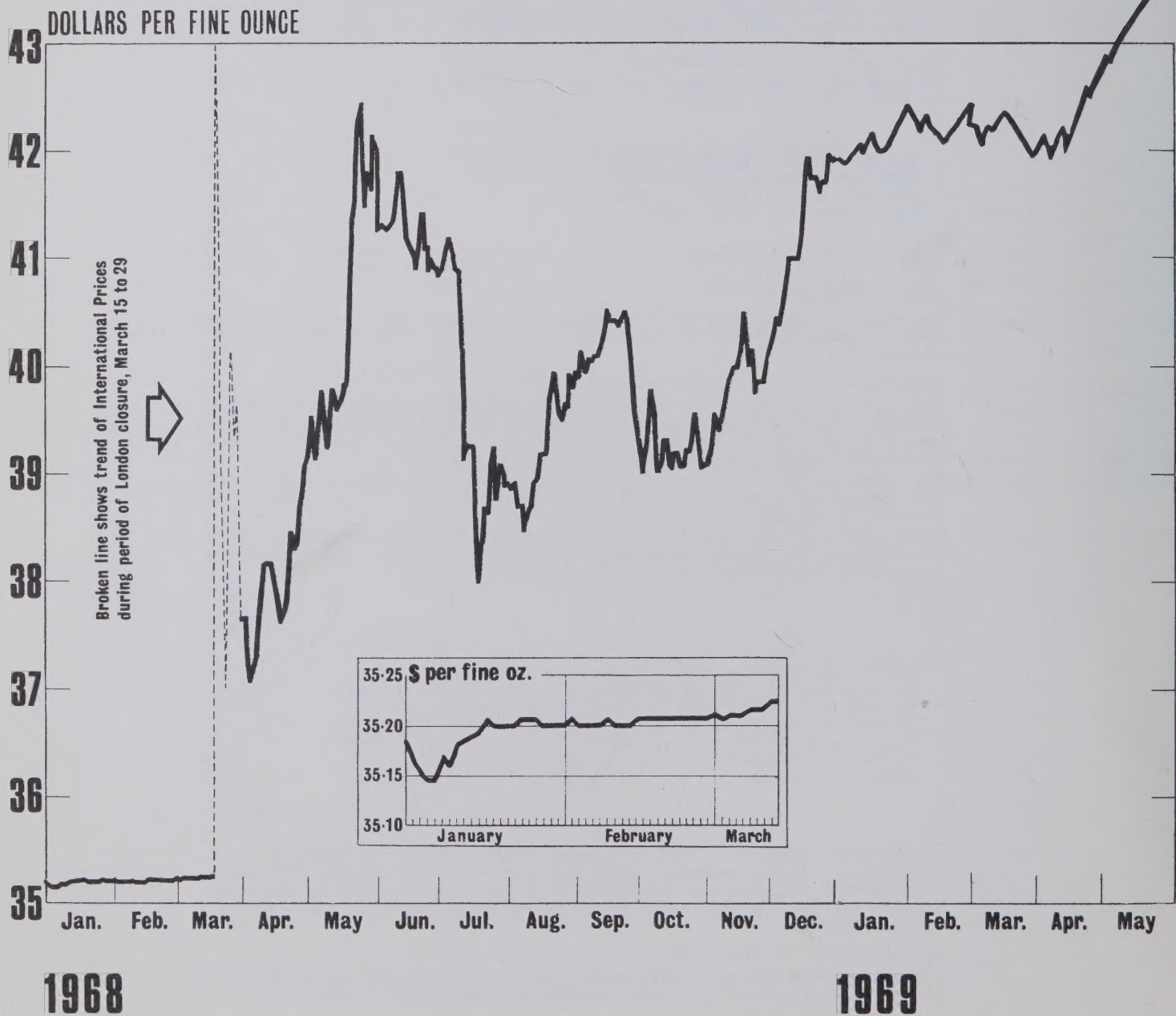
Subsequent to December 31, 1968 the company exercised its right to participate in the acquisition of a drilling reservation #1922 and acquired a .671% interest therein at a cost of \$49,164. This reservation is comprised of 20 sections to the south and east of the discovery well and was acquired for a total cost to the participating group of approximately \$7,000,000.

### 6. REMUNERATION TO DIRECTORS

Total remuneration paid to a director of the company during the year was \$3,600. There was no remuneration paid to the other company directors or senior officers.



# LONDON GOLD PRICE



# Review of Operations

YEAR	TONS MILLED	GRADE OF MILL HEADS	GOLD OZS. PRODUCED	AVERAGE GRADE OF TAILINGS	RECOVERY PER CENT	TONS ORE RESERVES	ORE RESERVE GRADES	FEET OF DEVELOP- MENT	FEET OF DIAMOND DRILLING	GROSS VALUE OF BULLION PRODUCED	E.G.M.A.	NET EARNINGS PER SHARE (CENTS)	DIVI- DENDS PAID PER SHARE (CENTS)
1933	21,668	.441	8,395	.0543	87.77	29,800	.416	7,417	3,303	\$ 260,841	---	2	---
1934	28,835	.405	11,014	.0234	94.24	99,676	.404	18,217	---	381,851	---	2.3	---
1935	45,692	.415	17,633	.0257	93.82	152,588	.416	10,123	2,549	621,227	---	9.7	2.5
1936	53,672	.395	19,995	.0197	95.01	209,636	.457	8,384	5,043	700,282	---	15.4	10.0
1937	71,843	.451	30,541	.0204	95.48	246,236	.438	6,953	5,248	1,068,835	---	24.9	11.5
1938	104,341	.434	43,060	.0211	95.13	302,165	.436	16,730	9,807	1,517,562	---	34.2	17.0
1939	109,662	.446	46,601	.0226	94.95	428,588	.417	17,891	7,848	1,707,863	---	37.09	21.0
1940	113,802	.407	43,830	.0211	94.81	435,456	.397	16,331	20,629	1,688,643	---	27.2	24.0
1941	129,659	.402	49,315	.0206	94.87	441,672	.398	16,701	14,511	1,900,008	---	19.0	23.0
1942	87,466	.412	34,762	.0209	94.95	423,311	.390	5,334	4,549	1,339,431	---	8.1	13.0
1943	35,814	.464	15,907	.0190	95.90	390,180	.388	329	---	612,740	---	---	4.0
1944	33,968	.427	13,665	.0166	96.11	360,415	.382	477	---	526,418	---	---	---
1945	36,393	.387	13,303	.0181	95.32	322,250	.382	3,498	1,529	512,587	---	---	---
1946	45,509	.329	14,092	.0177	94.61	322,250	.320	4,362	6,229	530,408	---	---	---
1947	88,535	.249	20,899	.0158	93.66	238,740	.300	2,393	17,243	732,766	---	---	---
1948	70,267	.329	21,251	.0264	91.97	214,740	.320	1,489	3,889	745,474	\$116,773	---	---
1949	68,637	.338	21,850	.0198	94.14	207,740	.350	2,722	11,801	806,195	102,677	---	---
1950	58,688	.391	21,737	.0210	94.64	165,160	.371	6,899	16,892	825,505	78,401	---	---
1951	71,618	.368	24,811	.0224	93.94	195,020	.390	5,849	32,917	909,736	166,008	---	---
1952	71,140	.362	24,451	.0182	94.96	143,480	.407	6,295	15,110	836,418	163,253	---	---
1953	75,208	.363	26,080	.0160	95.59	144,550	.418	6,918	7,922	899,178	211,246	---	---
1954	80,816	.421	33,039	.0128	96.96	221,855	.420	7,667	8,839	1,126,826	252,178	4.24	---
1955	108,652	.396	41,464	.0140	96.47	203,445	.425	4,542	13,173	1,436,151	241,774	.55	---
1956	94,721	.446	41,117	.0128	97.22	212,650	.395	3,867	9,221	1,418,471	161,853	5.20	---
1957	90,796	.440	38,757	.0132	97.00	153,468	.393	5,125	12,045	1,305,140	186,422	1.42	---
1958	66,880	.438	27,892	.0204	95.32	135,421	.421	4,073	15,322	950,373	223,163	---	---
1959	46,586	.398	17,746	.0165	95.77	127,510	.504*	4,936	11,563	597,939	182,387	---	---
1960*	39,113	.512	19,555	.0182	96.48	71,485*	.500*	5,743	15,322	667,214	200,794	---	---
1961*	37,944	.552	20,243	.0186	96.63	91,456*	.500*	4,539	23,466	722,927	208,048	1.06	---
1962*	38,638	.500	18,624	.0182	96.36	69,150*	.588*	6,222	25,052	701,218	191,362	---	---
1963*	34,702	.547	18,308	.0191	96.51	87,860*	.530*	7,834	22,612	695,537	188,119	---	---
1964*	32,073	.639	19,867	.0192	97.00	64,850*	.590*	5,295	15,439	755,191	204,136	2.20	---
1965*	28,862	.660	18,491	.0190	97.12	78,450*	.590*	5,580	11,900	702,151	189,994	1.40	---
1966*	28,877	.700	20,316	.0190	97.12	---	---	---	---	770,300	208,800	---	---
Totals	2,151,077		858,611		* Aurum mine only	231,159		383,127		30,973,400	3,477,388		\$1.26



